

THE GOVERNMENT PERFORMANCE AND RESULTS ACT: STRATEGIC PLANNING OF THE FUTURE

Beryl Harman

The Government Performance and Results Act (GPRA) was signed into law on Aug. 3, 1993. In the view of the Office of Management and Budget (OMB), it is intended to shift the focus of government officials from program inputs to program execution. The goal is to better see what is being achieved and how well government programs meet intended objectives, rather than accept the old bottoms-up estimating methodology. As Whittaker (1995, p. 60) contends, "... the law is simple and straightforward; don't emphasize what funds have been spent or what level of activity has been accomplished, but show the results of your efforts." This paper will explore the tenets of GPRA, particularly those associated with strategic planning. It will also address some of the history, implementation, and potential consequences of the Act.

The Government Performance and Results Act's objective is "to provide for the establishment of strategic planning and performance measurement in the Federal Government, and for other purposes." It bases this objective on the findings that:

1. *Waste and inefficiency in federal programs undermines the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital needs;*

2. *Federal managers are seriously disadvantaged in their efforts to improve program efficiency and effectiveness, because of insufficient articulation of program goals and inadequate information on program performance; and*

3. *Congressional policymaking, spending decisions, and program oversight are seriously handicapped by insufficient attention to program performance and results.*

Report Documentation Page			Form Approved OMB No. 0704-0188	
<p>Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>				
1. REPORT DATE 1997	2. REPORT TYPE	3. DATES COVERED 00-00-1997 to 00-00-1997		
4. TITLE AND SUBTITLE The Government Performance and Results Act: Strategic Planning of the Future			5a. CONTRACT NUMBER	5b. GRANT NUMBER
			5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)			5d. PROJECT NUMBER	5e. TASK NUMBER
			5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Defense Systems Management College ,9820 Belvoir Road,Fort Belvoir,VA,22060-5565			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)			10. SPONSOR/MONITOR'S ACRONYM(S)	
			11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited				
13. SUPPLEMENTARY NOTES Acquisition Review Quarterly, Summer 1997				
14. ABSTRACT				
15. SUBJECT TERMS				
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 16
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified		

It then goes on to state the purposes of the Act is to:

- 1. improve the confidence of the American people in the capability of the Federal Government, by systematically holding federal agencies accountable for achieving program results;*
- 2. initiate program performance reform with a series of pilot projects in setting program goals, measuring program performance against those goals, and reporting publicly on their progress;*
- 3. improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction;*
- 4. help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality;*
- 5. improve congressional decision making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of federal programs and spending; and*

6. improve internal management of the Federal Government.

With these findings and purposes in mind, each agency was required to submit a strategic plan to the Director of the Office of Management and Budget (OMB) and to Congress by Sept. 30, 1997, with the first annual Performance Plan for fiscal year 1999. This strategic plan must include a comprehensive mission statement; a description of outcome-related general goals and objectives and the operational processes and resources required to meet these goals; a description of the relationship between performance goals and general goals and objectives; an identification of key external factors that could effect achievement; a description of program evaluations used to establish or revise goals and objectives; and a schedule for future program evaluations.

The initial plan must cover a period of not less than five years, computed forward from the fiscal year in which it is submitted; and must be updated at least once every three years. The agency must consult with Congress on the plan's formulation and must consider the views of those affected by, or interested in the plan (i.e., the customer or stakeholder in the process). In addition, the planning is consid-

Beryl A. Harman is a Professor of Systems Acquisition Management assigned to the Research, Consulting, Information Dissemination Division of the Defense Systems Management College. She holds a B.A. degree in Speech Communication and Political Science from Northeast Louisiana University, an M.P.A. in Manpower Management and Federal/State/ Local Governance from Golden Gate University and is completing her D.P.A. in Advanced Planning and Federal Management Systems at the Washington Public Affairs Center of the University of Southern California. She is also a graduate of the Air Command and Staff College, Air War College and and DSMC's PMC 86-2 programs. She is Acquisition Corps certified in both Program Management and Contract Management and is a Certified Public Contracts Manager.

ered an inherently governmental activity, which means it cannot be performed by private enterprise. Only the Central Intelligence Agency (CIA), the General Accounting Office (GAO), the Panama Canal Commission, the United States Postal Service, and the Postal Rate Commission are exempted from the provisions of the Act.

As a result, practically all the Executive agencies, including Department of Defense (DoD), have to establish strategic plans that comply with the Act's performance requirements. Strategic plans will form the basis of, and result in, the establishment of annual performance plans, based on measurable goals, that will define effective or successful programs. To accomplish these plans, each agency has been given the flexibility to aggregate, disaggregate, or consolidate program activities, providing that agencies adhere to current requirements. There are also new terms to be used ("outcome measures," "output measures," "performance goals," "performance indicators," "program activities" and "program evaluation") when implementing GPRA.

In the fiscal year 2000 budget submission, DoD (along with other Executive agencies) is required to submit, through OMB, the first program performance report to Congress and the President. This report will document how well the agency is performing and whether it has accomplished what it proposed to do. It will discuss the performance indicators that were used, the program results (success or failure) that were measured, any problems experienced with performance goals, and factors affecting performance that were beyond the control of the agency involved. Theoretically then, in the future, Congress and the President will be able to decide

whether to continue DoD programs, revise programs, or totally cancel programs they perceive as an ineffective use of government funding based on the performance information submitted in the performance report. This will, in turn, allow Congress and the President to construct a national budget that is meaningful—based on actual government performance—and to construct a budget that will receive favorable public acceptance.

"Strategic plans will form the basis of, and result in, the establishment of annual performance plans, based on measurable goals, that will define effective or successful programs."

There were also a significant number of pilot projects authorized under the Act (Barr, 1994, Panetta, 1994). These projects provided participating agencies with valuable experience. Within DoD, the Defense Logistics Agency (DLA), Air Combat Command, the Army Research Laboratory, the Defense Commissary Agency, the U.S. Army Corps of Engineers (Civil Works), the Army Audit Agency, and CINCLANTFLT (Carrier Battle Group) all participated in pilot projects. Results from these pilots have shown that GPRA is flexible enough to accommodate the needs of organizations having significantly diverse missions.

One part of the pilot program process has not been successful—that having to do with managerial flexibility and accountability. GPRA allowed agencies to propose and OMB to approve waivers of certain nonstatutory administrative requirements and controls (e.g., staffing, re-

munition, and funding transfers) to allow for more managerial flexibility and accountability. To date, no waivers have been approved under this authority. This is due in part to elimination of the bulk of the “Federal Personnel Manual,” enactment of the Federal Workforce Restructuring Act, and the ability to approve waivers under existing administrative authorities independent of GPRA. Therefore, some internal changes to administrative requirements have been possible without implementation of the waiver process.

“In the context of administrative reform, government reform occurred on two levels: political and managerial.”

What then generated the need for GPRA? Why did Congress feel compelled to write such a law and impose this type of strategic management system on the Executive agencies?

HISTORY

It is somewhat difficult to determine the underlying impetus of GPRA statutory requirements. It can be looked at in the context of administrative reform (Rosenbloom, 1995), budget reform, (Rubin, 1993), the history of planning, (Mintzberg, 1994), or more simply, the emphasis on efficiency and effectiveness that has formed the underpinnings of governmental reform since the signing of the Constitution. In fact, the desire for efficiency and effectiveness is the major political force that drives our national policies and priorities. This is true whether we ascribe to the “effective” government of

the National Performance Review (NPR) or the “efficiency” of a balanced budget as stated within the *Contract with America*. Therefore, since its antecedents are vague, we can only make some generalizations and then consider recent history in the development of the Act itself.

In the context of administrative reform, government reform occurred on two levels: political and managerial. These are defined as fundamental redefinitions of public administration which occurred to fit a particular political need or vision (political); and adjustments within the existing administrative framework (managerial) (Rosenbloom, 1995). On the political level, this has been translated into four fundamental approaches to public administration, with the National Performance Review a possible fifth.

The first approach, perceived as the “administration by gentlemen,” was employed between 1789 and 1828. In this era “voting privileges were restricted and positions in federal service were viewed loosely as property and often held for life” (Rosenbloom, p. 3). The second approach, the “spoils system,” was in play from 1829 to the 1880s. This system was aimed at delivering “federal service into the arms of the political party in power” through favoritism and patronage (p. 3). The third theory of public administration, which Rosenbloom calls “the merit system and political neutrality,” was put in practice from 1883 to the 1930s. This system sought to destroy the political machines and defined public administrators as “legally insulated, politically neutral, trained experts” who should be promoted based on merit (i.e., performance) (p. 4). The fourth, “the New Deal,” from 1933–1939, placed emphasis on selecting appointees

based on “policy agreement and ability rather than partisanship alone” and established the Bureau of the Budget (now known as the Office of Management and Budget) within the Executive Branch (p. 4). Finally, the NPR, from 1993 to the present, seeks to establish an entrepreneurial, competitive, customer-driven, results-oriented public administration, with an administrative capacity to intervene in the society and economy, “strengthen executive control and drastically reduce congressional involvement” (p. 4).

On a managerial level, reforms have been aimed at improving performance and at fashioning adjustments within the administrative framework. These reforms can be identified as process reforms (e.g., the planning, programming, budgeting system or total quality management), and structural reforms (e.g., creation of the Office of Management and Budget in 1970). Each activity in turn, has left, or is leaving, a legacy of change.

Therefore, in terms of administrative reform, the GPRA is a hybrid of the process and structural reform movements. As Rosenbloom contends, it is politically connected to NPR, but is institutionally at odds with it, since in his opinion it grants Congress more power in dealing with administrative agencies by effectively making the agencies an extension of the legislature in the refinement of legislative goals. Further, it uses strategic planning to develop or reduce agency missions.

Focusing on budget reform, we see a slightly different picture. As Rubin points out, the need for budget reform grew out of the need for clear financial reporting to provide greater public accountability of government funding. The railroads during the late 1800s took a heavy toll on public

finances because they not only borrowed heavily from private sources, but were often government subsidized. While important to commerce, the railroads had such poor accounting systems that auditors found it virtually impossible to tell whether railroad companies were actually experiencing a profit or loss (Rubin, 1993). Consequently, in 1906, the Interstate Commerce Commission promul-

gated the Hepburn Act, which established uniform accounting principles for the railroads and other private sector organizations. Once this accounting system was imposed on private organizations, the federal government was pressured to adopt similar measures. This resulted in the Budget and Accounting Act of 1921.

Based on the recommendations of the Taft Commission on Economy and Efficiency, the Budget and Accounting Act required the President to submit an annual budget to the Congress, along with any other financial statements and data necessary to determine the financial condition of the government (Mosher, 1976). It also established the Bureau of the Budget, which was transferred to the Executive Branch in 1939. This Bureau was renamed the Office of Management and Budget in 1970, and now manages the yearly budget requirements. As a result, OMB is responsible for approving the pilot projects under GPRA (Panetta, 1994); and has ultimate responsibility for the implementation of the GPRA reform pro-

“As Rubin points out, the need for budget reform grew out of the need for clear financial reporting to provide greater public accountability of government funding.”

cess. Therefore, under the umbrella of budget reform there has been an emphasis on financial responsibility and public accountability rather than political vision or adjustments in administrative management.

Lastly, the planning process itself found its beginnings in the tenets of military strategy and can be traced as far back in time as man has recorded. Whether one views the history of the Children of Is-

rael, the Greeks, the Romans, the Allied thrust in World War II, or more recently Desert Storm, one sees a series of battle plans and strategies followed with composite pre-

“... the planning process itself found its beginnings in the tenets of military strategy and can be traced as far back in time as man has recorded memory.”

cision. It is not surprising, therefore, to see this same tenet carried into the management of corporations as the span of control became diffuse and complex, or to government management with its bureaucratic stratification. Only the manner and the context in which it has been applied has changed.

According to Bryson (1988, p. 22), “Strategic planning ... began as the art of the general.” The word “strategic,” as in strategic planning, is a derivative of the word “strategy” which in turn comes from the Greek word *strategos* (*stratos* [army] and *egos* [to lead]). A strategy, on the other hand, can be defined in two ways: it is a plan—“a direction, a guide or course of action into the future”—or it is a pattern—“consistency in behavior over time” (Mintzberg, 1994, p. 23). These two definitions are usually described as “intended”

strategy and “realized” strategy. In other words, what is intended is not always realized. Therefore, what happens in actual fact is “emergent” strategy. An effective strategy emerges from the ability to predict as well as react to unexpected events. Strategic planning, as it is mandated under GPRA, requires a recognition of the complex and dynamic environment of government. Consequently, it will drive implementers to outline broad targets, provide considerable flexibility to adapt to unexpected events.

The issues of efficiency and effectiveness have also been applied with different meanings in different contexts. While viewed one way at the writing of the Constitution, they are considered differently in a world of budget deficits, global competition, and mandatory taxation. Consequently, for purposes of GPRA, these concepts should be viewed within the precepts of the NPR. For it is the NPR that has captured GPRA as an outgrowth of its goals and ideals as a way of fashioning an efficient, effective government—one that “works better and costs less.” How then is strategic planning within GPRA being implemented and what is its probability for success?

IMPLEMENTATION OF GPRA

The GPRA was first introduced in the Senate by Sen. William Roth in October 1990, as the Federal Standards and Goals Act; reintroduced after failure in 1991; retitled as GPRA and amended by Sen. John Glenn in 1992; reintroduced in January 1993 as the first piece of reinventing legislation addressed by the Administra-

tion and signed into law August that same year. Therefore, after a difficult political beginning, it is now being implemented. Ten pilot projects were approved in the first year and five times that number were added in the second. Yet it has not survived without problems. As Stephen Barr of the *Washington Post* noted in February 1994; "If all goes as planned over the next three years, OMB [will] learn how to link strategic planning to the budget, ... [but] for all the high-level attention, performance management remains one of the least understood administration initiatives."

To overcome some of these misunderstandings, John Koskinen (1994) issued a memorandum on Nov. 18, 1994, entitled "Requirement for Strategic Planning Under the Government Performance and Results Act." In this memorandum Koskinen addressed the importance of strategic planning as both the foundation and framework for implementation of all other parts of the Act and expressed OMB's intention to issue guidance in early 1995 on the development and submission of strategic plans. The first step was to establish a strategic planning task group to help prepare the guidance. Koskinen was particularly concerned with interagency, programmatic, and policy goals and was looking to this group and the President's Management Council to define the means and the responsibility for assuring "that goals are consistently and harmoniously reflected in individual agency plans." As an adjunct to the strategic planning task group, a task group was formed in November 1994 to consult with Congress in developing strategic plans and to participate in a Congressional coordination.

Direction submitted with the memorandum required that strategic planning be developed with Congressional consultation. Guidance on this activity was included in Circular A-11, Section 10.8, in September 1995 and then updated in Part 2, entitled "Preparation and Submission

"In this memorandum Koskinen addressed the importance of strategic planning as both the foundation and framework for implementation of all other parts of the Act and expressed OMB's intention to issue guidance in early 1995 on the development and submission of strategic plans."

of Strategic Plans and Annual Performance Plans," in May 1997. Based on a collaborative effort of OMB, the Cabinet departments, and 20 independent agencies, the circular requires that "an agency strategic plan provides for aligning agency organization and budget structure with missions and objectives." It goes on to state that "These plans are a tool for agencies in setting priorities and allocating resources consistent with these priorities...." Part 2 of the same circular sets out more specific requirements for the submittal of each plan.

While an initial strategic plan must have been submitted by Sept. 30, 1997, and must cover a minimum of five years or longer, it is specifically noted that the plan is in fact only good for three years—after which it must be updated. This is to ensure that agencies are monitoring and adjusting their plans on a continuous basis. Agencies are strongly encouraged to submit a single agency plan, but if not, a stra-

tegic overview must be submitted that links the individual plans to the agency's missions and goals. The initial Annual Performance Plan must have been submitted to OMB in September of this year in support of the fiscal year 1999 budget.

Furthermore, agencies are required to document disagreement pertaining to agency goals. The transmittal letter should summarize dissenting views received from entities outside the Executive branch of government, the degree of disagreement, and the source(s). This will ensure that agencies are providing an opportunity for stakeholders to have a voice in the decision-making process. In addition, the com-

"The complexity of government programs, divergent perspectives, and unclear missions and perspectives make it extremely difficult for decision makers to develop, understand, and interpret information reported results"

pleted strategic plan must be made available to the public at the same time it is transmitted to Congress—so that those same stakeholders have an opportunity to understand what is incorporated in the plan.

It is up to OMB to decide if the individual plan lacks required elements or is inconsistent with national policy and requires further work by the submitting agency. As part of a 1996 summer review, OMB provided internal guidance to OMB resource management offices to assist them in reviewing and consulting with the agencies under their purview. This guidance consisted of a set of questions to consider when guiding the implementation of the strategic planning process. Interagency clearance of a completed strategic plan is

now required at least 45 days before submission to Congress. Consequently, considerable guidance exists in the strategic planning area.

Of particular difficulty in the GPRA process has been the institution of measurement. The complexity of government programs, divergent perspectives, and unclear missions and perspectives make it extremely difficult for decision makers to develop, understand, and interpret information and reported results (Kravchuck and Schack, 1996). To assist in this process, OMB issued a "Primer on Performance Measurement" in February 1995. This primer is designed to assist the strategic planner in identifying and defining methods of measurement for their agency's activities. As such, it defines several performance measurement terms, outlines areas or functions where performance measurement may be difficult, and provides examples of different types of performance measures that can be used to ascertain performance outcomes. In addition, the Chief Financial Officers Council Report, in May of the same year, provided addresses and points of contact for assistance in implementing the process. The U.S. Army Corps of Engineers issued a "Performance Management Guidebook" in August 1995, which provides a performance measurement framework and a six-step development process for defining performance measurement in an operations and maintenance arena; and DoD issued an executive summary entitled "Key Criteria for Effective Measurement," in April 1996, defining the purpose, types, and requirements for performance measurement.

So what has been the progress to date? An initial report (in 1994) of existing pi-

lot programs by the National Academy of Public Administration highlighted several problems associated with the process. Primarily, performance plans did not tie performance to strategic planning. Neither did they contain clear statements of missions and goals. Specific recommendations were that Congress, program managers, and policy makers become real partners in GPRA's implementation to resolve issues associated with unclear agency missions. This included the cooperation of the committees that introduced GPRA to help to sell the effort to the two appropriation committees. In addition, the Academy suggested that agencies work hard to assure that performance plans at all levels relate to broader strategic thinking and mission accomplishments; that vision statements be less general and more useful in establishing specific objectives for management improvement; and that plans contain mission-oriented strategic thinking represented by the outcome indicators.

Of major concern was the lack of linkage between management at the political or policy level and the plans themselves. Part of this problem was viewed as stemming from the development of the plans at a very low level within the organization and consequently focused on a very limited set of work activities not specifically related to broader strategic thinking. It is clear from this report that agencies had not recognized the first principle of strategic planning, which is "to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it" (Bryson, 1988). This requires the commitment and involvement of top key decision makers to bargain, negotiate, and coordinate the activities of affected parties (Bryson,

1988; Pfeiffer, 1991; Mintzburg, 1994).

The Chief Financial Officer's Council GPRA Subcommittee's report in January 1996 still reported the same basic problem. While performance planning had advanced substantially in some agencies, strategic plans were not driving the planning process. While agencies were aiming to develop a "single set of best measures," integration of various

"Of major concern was the lack of linkage between management at the political or policy level and the plans themselves."

initiatives was very difficult and organizational disconnects were impeding the process. Part of the problem, in their view, stemmed from the lack of incentives to do good program evaluations and the strong incentives to expand programs and missions. As a result, they recommended an in-depth review of programs and agencies that were providing credible performance planning. Based on this recommendation, OMB generated a call for lessons learned in recognition that agencies could benefit from careful analysis of the process and strategies that have evolved from pilot experiences. These lessons learned, combined with various GAO reports, are considered useful activities to understand and implement change.

The GAO has, in addition, completed a significant number of reports concerning agency strategic planning and other aspects of the statute, since the enactment of GPRA. These include reviews of activities associated with performance budgeting (GAO/AFMD 93-41), performance measuring (GAO 95-1, 95-187), management issues (GAO 95-22, 95-158),

changes associated with reorganization (GAO 95-166, 96-50), implementation status (GAO 95-130R, 95-167FS, 95-193), performance reporting (GAO 96-66R), and the role of the Congress (GAO 96-79).

"Along with these key steps, the report identifies eight management practices that are important to the success of any effort."

These reviews culminated in the publication of an executive guide entitled "Effectively Implementing the Government

Performance and Results Act," issued in June 1996. This guide identifies three key steps that are necessary for organizations to become more results-oriented. They are:

- Define mission and desired outcomes (strategic plans containing mission statements and outcome-related strategic goals).
- Measure performance (annual performance plans with annual performance goals).
- Use performance information (annual performance reports).

Along with these key steps, the report identifies eight management practices that are important to the success of any effort. They are:

- Involve stakeholders in the process.
- Perform an assessment of the environment (both external and internal).

- Align activities, core processes, and resources with the organization's mission.
- Produce a set of performance measures at each organizational level that demonstrates results, is limited to the vital few, responds to multiple priorities, and links to responsible programs.
- Collect sufficiently complete, accurate, and consistent data.
- Identify performance gaps.
- Report performance information.
- Most importantly, use performance information to support the mission of the organization.

The GAO recognizes that these steps and practices by themselves cannot ensure the success of the organization. Leadership practices must reinforce GPRA implementation and a results-oriented management. These practices include:

- devolving decision making authority within a framework of mission-oriented processes in exchange for accountability for results;
- creating incentives to encourage a focus on outcomes;
- building expertise in the necessary skills needed to perform strategic planning, performance measurement, and the use of performance information in decision making; and

- integrating management reforms—existing planning, budgeting, program evaluation, and fiscal accountability processes with GPRA requirements to ensure consistency while reducing duplication of effort.

Once in place, the GAO suggests that these key steps and management practices form the framework for a GPRA results-oriented management culture. It is interesting to note that although the GAO recommends the inclusion of stakeholders, there is no recommendation for collaborative leadership or teamwork as a desired practice for GPRA implementation.

Other reports issued since the Executive Guide have focused more on areas of significant concern—for example, managerial accountability and flexibility progress (GAO/GGD-97-36), Congressional and Executive branch decision making (GAO/T-GGD-97-43), performance budgeting insights (GAO/AIMD-97-46), and key questions to facilitate Congressional review (GAO/GGD-10.1.16). Therefore, while GPRA's implementation is progressing, significant learning is still considered necessary. What then are some potential consequences of the Act for DoD? The Planning, Programming, Budgeting System (PPBS) was instituted within the Department of Defense by McNamara in the 1960s. This system requires the formulation of government objectives, like GPRA. It relates outputs to program inputs (unfavorable impacts). It puts values on inputs and outputs; aggregates the outputs into total benefits; aggregates the inputs into total costs; identifies the differences; considers existing as well as alternative strategies of action, and develops a budget based on the outcomes

of these choices (Mintzberg, 1994). The differences between this system and GPRA seem to lie in the inclusion of stakeholder discussions, the discussions with Congress, and a stronger emphasis on “performance outcomes” as opposed to “outputs.” Outputs are seen as a

measure of the use of resources, while performance outcomes define the success of the programs. Therefore, DoD established the GPRA working group to study ways to refine PPBS to meet GPRA legal requirements and to strengthen internal management processes.

The 1993 Bottom-Up Review, as updated by the National Security Strategy (President) and the National Military Strategy (JCS), served as the DoD strategic plan until completion of the Quadrennial Defense Review on May 19, 1997. This document superseded the Bottom-Up Review. The Quadrennial Review now serves as the DoD strategic planning document under GPRA. The DoD vision and mission statement were published in the 1997 Defense Planning Guidance and appear in the GPRA Annex of that document (see Figure 1) (Maroni, 1996). A set of general goals and objectives derived from the Quadrennial Review and also published in the Defense Planning Guidance are currently being refined within DoD for the fiscal year 1999 submission to Congress. In addition, the Office of Analysis

“It is interesting to note that although the GAO recommends the inclusion of stakeholders, there is no recommendation for collaborative leadership or teamwork as a desired practice for GPRA implementation.”

DoD MISSION STATEMENT

The mission of the Department of Defense is to support and defend the Constitution of the United States, to provide for the common defense of the United States, its citizens and its allies, and to protect and advance U.S. interests around the world.

DoD VISION STATEMENT

The Department of Defense:

- fields the best trained, best equipped, best prepared joint fighting force in the world;
- supports alliance and security relationships that protect and advance U.S. security interests;
- advances national interests by working effectively with other agencies, Congress, and the private sector; and
- serves as a model of effective, efficient, and innovative management and leadership.

Figure 1. DoD Mission and Vision Statements

and Evaluation, OSD(PA&E) issued guidance to DoD Components as follows:

The Chairman, Program Review Group, will establish a team led by OSD(PA&E), to assess the performance of the DoD Components, with respect to the DoD Corporate Goals that are to appear in the Defense Guidance. The Component POM submissions will be used as the basis for this assessment. The outcome of the assessment will be reported at the end of the program review. In addition, the team may also review performance measures for use in GPRA activities subsequent to this program review.

DoD anticipates that the fiscal year 1999–2004 PPBS cycle will contain all the elements of GPRA. The first Annual Performance Plan, which will include performance measurement criteria, will be submitted as part of the fiscal year 1999 President's Budget. Consequently, DoD is well on its way to integrating GPRA into the PPBS budgeting process.

Nevertheless, the GPRA is still problematic. Organizations most advanced in GPRA say “it is turning us upside down” (Laurent, 1996). Since GPRA requires a cultural change as it attempts to blend accountability with entrepreneurship. There has yet to be a recognition in some agencies that there is no risk without failure (Groszyk, 1995). Similarly, measuring performance can become a meaningless,

sterile, statistical exercise, if managers are not trained and empowered to promote change and incorporate performance-based management into daily practice (Laurent, 1996), or if they do not understand or take into account the limitations of performance measurement systems (Kravchuk and Schak, 1996). Measures should not become a substitute for effective ongoing program management, but meaningful incentives for managers to change how they manage and become more accountable (Groszyk, 1995). This will require the inclusion of customers and stakeholders in the validation process (Mihm, 1995–1996). Meanwhile, managers who can master this process and show the positive outcomes of their program's efforts will have a clear advantage obtaining or retaining program funding (Mihm, 1995–1996).

Early assessments indicate that agencies are still having difficulty describing the relationship between long-term goals and annual performance goals and are just beginning to look at enhancing interagency coordination for programs that are “cross-cutting” in nature (Raines, 1997). OMB has also noted that a review of performance goals is on-going and that consensus on these goals still needs to be reached (Koskinen, 1997). As Acting Comptroller General of the United States James F. Hinchman noted (1997), “... improving management in the federal sector will be no easy task, but GPRA can assist in accomplishing it.”

Even given that these hurdles are breached, can the agencies under GPRA establish a system flexible enough to counter budget turbulence with sufficient viable contingency plans to meet legislative goals (i.e., program success)? There

is still some concern that legislators are lagging in their understanding of GPRA and their role in its promotion (Laurent, 1996). As reports become available to the public, accountability and performance of the administration and Congress will become very visible (Groszyk, 1995). Both will be very hard pressed to fund programs that cannot convincingly show that outcomes are achieved (Mihm, 1995–1996). Conversely, a lack of Congressional interest is likely to be fatal (Groszyk, 1995).

“... measuring performance can become a meaningless, sterile, statistical exercise, if managers are not trained and empowered to promote change and incorporate performance-based management into daily practice.”

House Majority Leader Rep. Dick Armey, speaking before the House Government Reform and Oversight Committee in February 1997, urged both Democrats and Republicans to become knowledgeable and to “... show a willingness to reexamine pet projects with an ear toward objective credible information about the results of these programs.” It will be interesting to see if members of Congress, once they have the necessary information, will be able to make hard choices; or if they will use it to increase their level of oversight to control administrative action. GPRA could stand in stark contrast to the implementation of the National Performance Review and in turn, could create conflicting administrative requirements (Winchell, 1996). In any case, GPRA will only be successful if it becomes part of the principles and practice of everyday managerial routines.

(Groszyk, 1995). Only the future will show if GPRA will result in any real changes becoming embedded in our culture. As OSD Comptroller John J. Hambre stated in 1993, it should “... be more than

another layer of reporting, the process must be integrated with and reflect the expectations of [the] planning and budgetary process.”

ACKNOWLEDGMENT

The author would like to thank Mr. Dave Hoen from the Office of the Secretary of Defense, Comptrollers Office, for his input.

REFERENCES

- Armey, D. *Testimony on Government Performance and Results Act*, 105th Cong. (February 12, 1997).
- Barr, S. (1994, February 3). Performance measures expand their horizons. *The Washington Post*.
- Bryson, J. M. (1988). *Strategic planning for public and nonprofit organizations*. San Francisco: Jossey-Bass.
- Department of Defense. (1996, April 12). Key criteria for performance measurement. *Executive Summary*. Available <FTP://ftp.fedworld.gov/pub/results/dodrpt01.txt>
- Gingrich, N., & Armey, D. (1994). *Contract with America*. New York: Times Books.
- Gore A. (1993, September 7). *Creating a government that works better & costs less: Report of the National Performance Review*. Washington, DC: U.S. Government Printing Office.
- Government Performance and Results Act of 1993. Pub. L. No. 103-62.
- Groszyk, W. (1995, November). *Implementation of the Government Performance and Results Act of 1993*. Washington, DC: Office of Management and Budget.
- Gunderson, N. (1995, February 28). *Primer on performance measurement* (rev. ed.). Washington, DC: Office of Management and Budget.
- Hinchman, J. F. *Testimony of James F. Hinchman, Acting Comptroller General of the United States on GPRA*, 105th Cong. (February 12, 1997).
- Koskinen, J. A. (1994, November 18). *Requirements for strategic plans under the Government Performance and Results Act. Memorandum for members of the President's Management Council and selected officials in other independent agencies*. Washington, DC: Office of Management and Budget.
- Koskinen, J. A. *Statement of John A. Koskinen, Deputy Director for Management and Budget, before the Subcommittee on Government Management, Information, and Technology of the House Committee on Government Reform and Oversight*, 105th Cong. (June 3, 1997).
- Kravchuk, R. S., & Schack, R. W. (1996, July–August). Designing effective performance measurement under the Government Performance and Results Act of 1993. *Public Administration Review*, 348–358.
- Laurent, A. (1996, July). Time to get cooking on GPRA. *Government Executive*, 51–52.
- Maroni, A. C. (1996). *DoD implementation of the Government Performance and Results Act*. Washington, DC: Office of the Comptroller.

- Mihm, J. C. (1995–1996, Winter). GPRA and the New Dialogue. *The Public Manager*, 15–18.
- Mintzberg, H. (1994). *The rise and fall of strategic planning*. New York: The Free Press.
- Mosher, F. C. (Ed.). (1976). *Basic documents of American public administration 1776–1950*. New York: Holmes & Meier Publishers.
- National Academy of Public Administration. (1994, November). *Toward useful performance measurement*. Author.
- Panetta, L. E. (1994, January 31). *Pilot projects under the Government Performance and Results Act. Memorandum for the heads of executive departments and agencies*. Washington, DC: Office of Management and Budget.
- Pfeiffer, J. W. (Ed.). (1991). *Strategic planning*. San Diego, CA: Pfeiffer & Company.
- Raines, F. D. *Statement of Franklin D. Raines, Director, Office of Management and Budget, before the Senate Appropriations and Governmental Affairs Committees*, 105th Cong. (June 24, 1997).
- Rosenbloom, D. H. (1995, Spring). The context of management reform. *The Public Manager*, 3–6.
- Rubin, I. S. (1993, September/October). Who invented budgeting in the United States? *Public Administration Review*, 438–444.
- Whittaker, J. B. (1995, December). Get ready for GPRA. *Government Executive*, 59–60.
- Winchell, T. E. Sr. (1996, Summer). The changing world of the federal personnelist. *The Bureaucrat*, 33–36.